

SENATE BILL REPORT

SB 6719

As of January 29, 2008

Title: An act relating to increasing public utility district bid limits to address inflation and increased material costs.

Brief Description: Increasing public utility district bid limits.

Sponsors: Senators Keiser, Morton, Sheldon, Swecker, Hobbs and Pridemore.

Brief History:

Committee Activity: Water, Energy & Telecommunications: 1/30/08.

SENATE COMMITTEE ON WATER, ENERGY & TELECOMMUNICATIONS

Staff: Sam Thompson (786-7413)

Background: PUD Services Contracting. Public utility districts (PUDs) must contract for work estimated to cost over \$10,000 or work using material costing over \$50,000.

PUD Materials Contracting. Generally, PUDs must contract to purchase over \$10,000 of items of one kind. They must also contract to purchase over \$5,000 of items of one kind in one-calendar month.

PUDs may use an informal vendor list contracting procedure when purchasing material of one kind worth over \$10,000 and less than \$50,000. This procedure involves soliciting quotations from at least three vendors on a vendor list whenever possible to assure that a competitive price is established and that a contract is awarded to the lowest responsible bidder. PUDs establish and revise vendor lists by publishing a notice, at least twice a year, soliciting vendors for inclusion on the list.

Summary of Bill: PUD Services Contracting. The maximum estimated cost of work done by PUDs without contracting is raised from \$10,000 to \$25,000, and the maximum cost of material used in work by PUDs without contracting is raised from \$50,000 to \$200,000.

PUD Materials Contracting. The maximum cost of items of one kind purchased without contracting is raised from \$10,000 to \$25,000, and the maximum cost of items of one kind purchased in one-calendar month without contracting is raised from \$5,000 to \$25,000.

The minimum cost of items of one kind purchased using the vendor list contracting procedure is raised from \$10,000 to \$25,000. The maximum cost of items of one kind purchased using that procedure is raised from \$50,000 to \$200,000. These limits apply on a per-calendar-month basis.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.